

STAND. COM. REP. NO.

2691

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 3024

S.D. 2

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B.  
No. 3024, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSIENT ACCOMMODATIONS  
TAX,"

begs leave to report as follows:

The purpose and intent of this measure is to increase  
financial resources to support conservation and natural resource  
protection programs in the State.

Specifically, the measure:

- (1) Increases from \$3,000,000 to \$10,000,000 the amount of  
transient accommodations tax revenues allocated for  
certain purposes subject to the mutual agreement of the  
Board of Land and Natural Resources and the Board of  
Directors of the Hawaii Tourism Authority, in accordance  
with the Hawaii Tourism Authority strategic plan; and
- (2) Allocates \$5,000,000 of the \$10,000,000 to the Division  
of Conservation and Resources Enforcement of the  
Department of Land and Natural Resources.

Your Committee received written comments in support of this  
measure from the Department of Land and Natural Resources, the  
Hawaii Tourism Authority, and The Nature Conservancy. Your  
Committee received written comments on this measure from the  
Department of Budget and Finance and the Tax Foundation of Hawaii.

SB3024 SD2 SSCR LRB 14-1510.doc



Your Committee finds that the Legislature enacted Act 161, Session Laws of Hawaii 2013, to, among other things, provide a consistent source of funds for Hawaii to effectively market itself in a competitive tourist industry, to maintain tourist attractions, and to enhance the visitor experience. Your Committee also finds that although Act 161 set aside a portion of transient accommodations tax revenues for this purpose, it did not provide the authority to expend these funds.

Your Committee has amended this measure by:

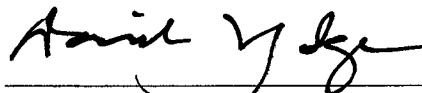
- (1) Specifying that the transient accommodations tax revenues shall be allocated to the special land and development fund, established under section 171-19, Hawaii Revised Statutes, to ensure that the Department of Land and Natural Resources has the authority to expend these funds;
- (2) Changing the dollar amounts of the allocations from transient accommodations tax revenues to unspecified amounts;
- (3) Clarifying that the portion of the transient accommodations tax revenues to be set aside for conservation and resources enforcement shall be allocated to the conservation and resources enforcement special fund, established pursuant to section 199-1.5, Hawaii Revised Statutes;
- (4) Authorizing allocations of transient accommodations tax revenues from the special land and development fund to the:
  - (A) Beach restoration special fund, established pursuant to section 171-156, Hawaii Revised Statutes;
  - (B) State parks special fund, established pursuant to section 184-3.4, Hawaii Revised Statutes;
  - (C) Hawaii Statewide Trail and Access Program, established pursuant to section 198D-2, Hawaii Revised Statutes; and



- (D) Conservation and resources enforcement special fund, established pursuant to section 199-1.5, Hawaii Revised Statutes;
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (6) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3024, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3024, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



---

DAVID Y. IGE, Chair



The Senate  
Twenty-Seventh Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <i>SB 3024 SD1</i>	Committee Referral: <i>TSM/NTL, WAM</i>	Date: <i>2-20-14</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.				✓
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.				✓
KOUCHI, Ronald D.				✓
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam		✓		
	9	1	0	3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report   Clerk's Office   Drafting Agency   Committee File Copy				

\*Only one measure per Record of Votes